After the introduction of the scheme of partial decontrol of cement in February, 1982, he Cement Industry had made representations at different intervals of time, seeking enhancement in the retention price of cement due to increase in the cost of production and input costs etc. The industry had been compensated either by increase in the retention price or by reduction in levy obligation or combination of both the measures. However, effective from 1-3-1989, Government has removed all controls on price and distribution of cement and thus, the question of making any increase in the price does not arise.

Expansion of Neyveli Lignite Corporation Limited

747. PROF. SOURENDRA BHATTACHARJEE: Will the Minister of ENERGY be pleased to state:

(a) whether it is a fact that the Spreader Project of IInd Mine Expansion Scheme of Neyveli Lignite Corporation Limited, Neyveli has been delayed for want of experienced handling by the MAN, GHH and WMI Limited;

(b) whether the contract was awarded in May 1986 to these firms against the wishes of the technical consultant of the project;

(c) whether the same firms had earlier caused losses to the corporation;

(d) whether investigation has been made to ascertain the reasons for awarding the contract to these firms; and

(e) if so, what are the details thereof?

THE MINISTER OF ENERGY WITH ADDITIONAL CHARGE OF THE MINISTRY OF CIVIL AVIATION (SHRI ARIF MOHD. KHAN): (a) The Second Mine Expansion Project of Neyveli Lignite Corporation has provision for two Spreaders. Spreader I was scheduled to be commissioned by 10-4-89 and Spreader II by 10-8-89. Spreader I is going to be commissioned shortly and Spreader II is expected to be commissioned by 10-12-90. The delay in commissioning of the two Spreaders cannot be attributed to inexperienced handling of the project by MAN-GHH and WMI Cranes; instead the delay has taken place for reasons like, delay in acquisition of land, difficulties in procurement of steel, non-availability of required quality of steel, design modifications, erection difficulties, etc.

(b) Neyveli Lignite Corporation had floated a global tender enquiry for the purchase of 2 Nos. 20,000 T|Hr. Spreaders for their Second Mine Expansion Project. In all, there were three tenderers, namely, M|s. MAN of West Germany with their Indian collaborator M|s. WMI Cranes, M|s. Mannesman Demag of West Germany with their Indian collaborator M|s. Mukund Steel and M|s. Krupp of West Germany with their Indian collaborator M|s. Buckau Wolf. M|s. Rheinbraun Consulting, West Germany, who were technical consultant for the project. did not initially recommend M|s. MAN on the ground that they lacked adequate experience of manufacturing Spreaders. However, on the basis of the range and variety of equipments supplied by M|s. MAN outside India as well as to NLC and the fact that M|s. Rheinbraun Consulting had qualified MAN for supply of sophisticated equipment like Bucket Wheel Excavator, Spreaders and mobile Transfer Conveyor for the Second Mine Stage I, NLC decided to keep MAN in the short-list to make the offers more competitive. This decision was also subsequently concurred in by M|s. Rheinbraun and KFW, the West German Financing Agency for the project. The order was finally placed on 10-5-86 on MAN|WMI Cranes as the price quoted by this firm was found to be the lowest after evaluation by the NLC.

(c) There was some delay on the part of M|s. MAN|WMI in the supply of equipment for Second Mine Stage I. Repairs had to be done on one of the machines (Bucket Wheel Excavator) which met an accident.

Liquidated damages of DM 107603 and Rs. 4050 were imposed on MAN of FRG and liquidated damages of Rs. 402186 were levied on their Indian collaborator WMI Cranes for delyed delivery of equipment for II Mine Stage I. These amounts have since been realised.

NLC had claimed Rs. 1.59 crores as the cost of rehabilitation of the Bucket Wheel Excavator supplied by MAN, which was damaged in the accident. Taking into consideration relevant factors like the money spent by MAN on the rehabilitation and withdrawal by MAN of their claim of DM 1.7255 million from NLC, an amount of Rs. 96 lakhs was realised from MAN in full and final settlement of NLC's claim.

(d) and (e) The orders for supply of 2 Nos. Spreaders were placed on M/s. MAN and WMI Cranes taking into consideration the technical acceptability, lowest price and capability (financial and technical) of the Indian collaborators.

Proposal for Setting up a HMT Watch Factory in U.P.

748. KUMARI ALIA: Will the Minister of INDUSTRY be pleased to state:

(a) whether there is a proposal under consideration of Government for setting up of a Hindustan Machine Tools watch factory in Uttar Pradesh;

(b) if so, what is the proposed location of the said factory;

(c) whether Faizabad district has been selected as a suitable site for setting up of the factory; and

(d) if so, what are the details thereof and if not, what are the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH): (a) Presently there is no such proposal under consideration.

(b) to (d) Do not arise.

Setting up of Wind Pumps and Wind Farm Demonstration Projects in Uttar Pradesh

749. KUMARI ALIA: Will the Minister of ENERGY be pleased to state:

(a) what are the details of action taken so far for setting up wind pumps and wind farm demonstration projects in Uttar Pradesh and what targets have been achieved so, far;

(b) what are the names of the districts in the State where these projects are proposed to be implemented during 1990-91; and

(c) what are the plans in this behalf for Faizabad district?

THE MINISTER OF ENERGY WITH ADDITIONAL CHARGE OF THE MINISTRY OF CIVIL AVIATION (SHRI ARIF MOHD. KHAN): (a) 407 water pumping windmills and 13 small wind electric generators and battery chargers have so far been installed in Uttar Pradesh. No wind farm demonstration project has been set up. However, wind survey projects have been taken up in the State to explore the possibilities of further wind energy projects, including wind farms. The surveys are expected to be completed in about two years.

(b) and (c) Non-conventional Energy Development Agency (NEDA) of Uttar Pradesh propose to install about 300 water pumping windmills during 1990-91, in almost all districts of the State, including Faizabad. In additon, about 250 small wind electric generators and battery chargers are proposed to be installed during the current year.

Setting up of a Medical Institute in Faizabad, U.P.

750. KUMARI ALIA: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether Government are considering to set up a Medical Institute in Uttar Pradesh on the pattern of All India Institute of Medical Sciences, New Delhi;